GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3492
ANSWERED ON:20.03.2001
PRODUCTION OF NITROGEN PHOSPHATE BASED FERTILIZER
BHAWANA GAWALI (PATIL)

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total production of nitrogen and phosphate based fertilizers during the last three years;

(b) whether the production of the said fertilizer is adequate to meet the demand of the country; and

(c) if not, the measures taken by the Government for increasing the production of the said fertilizer?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI S. B. MOOKHERJEE)

(a): Production of nitrogenous and phosphatic fertilizers in terms of nutrients during last three years is given below:

(lakh MTs)

Year	Production	
	Nitrogen	Phosphate
1997-98	100.86	29.76
1998-99	104.80	31.41
1999-00	108.90	33.99

(b): In case of nitrogenous fertilizers, the country is nearly self-sufficient in urea, whereas in case of phosphatic fertilizers the self-sufficiency is to the extent of 70%. However, self-sufficiency is also related to various factors such as monsoon conditions which influence the demand.

(c): To optimise the indigenous fertilizer production, the following facilities/ concessions have been made available to the fertilizer industry by the Government at present:-
i) As per the industrial policy Resolution dated 24th July, 1991, no licence is normally required for setting up/ expansion of fertilizer plants. Entrepreneurs are free to set up/ expand fertilizer projects anywhere in the country subject to environmental clearance.
ii) Deemed Export Benefit to indigenous suppliers of capital goods to fertilizerprojects provided such supplies are made under the procedure of international competitive bidding.
iii) Reasonable return on investment to the entrepreneurs under the Retention Price- cum-Subsidy Scheme, at present applicable to existing urea capacity.
iv) Concession on sale of decontrolled phosphatic and potassic fertilizers to farmers.
v) Import of capital goods for setting up of new fertilizer plant/modernisation of existing units at a concessional rate of customs duty.
vi) Import of fertilizer raw materials and intermediates at a concessional rate of customs duty.